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UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF OHIO  
EASTERN DIVISION

In re	)	Honorable Harold F. White
	)	Bankruptcy Judge
REVCO D.S., INC., et al.	)	
	)	Chapter 11 Cases
Debtors.	)	Nos. 588-1308 through
	)	588-1321, 588-1305,
	)	588-1761 through 588-1812,
	)	and 588-1820
-----	)	
REVCO D.S., INC. et al.	)	Adversary Proceeding No.
1925 Enterprise Parkway	)	590-0056
Twinsburg, Ohio 44087,	)	
	)	
Plaintiffs	)	
	)	
v.	)	
	)	
SUN PLAZA L.P.	)	
c/o Ostendorf-Morris	)	
Properties, Inc.	)	
1100 Superior Avenue	)	
Cleveland, Ohio 44114,	)	
	)	<u>JUDGMENT</u>
Ostendorf-Morris Properties,	)	
Inc.	)	
1100 Superior Avenue	)	
Cleveland, Ohio 44114,	)	
	)	
Defendants	)	
-----	)	

Whereas, the Plaintiff by its complaint filed and  
served herein having alleged various causes of action against  
Defendants Sun Plaza L.P. and Ostendorf-Morris Properties,

recorded in Book 1, Page 1  
USBC - No 17L.

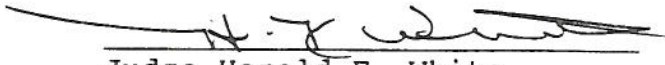
Inc., as more fully appears by Counts One, Two, Three, and Four of its complaint, and

Whereas, the Plaintiff and Defendants having agreed upon a basis for the settlement of the matters alleged in the complaint, and the entry of a judgment in this action, and after due deliberation,

IT IS HEREBY ORDERED, adjudged and decreed that final judgment in favor of the Plaintiff and against the Defendants, jointly and severally, is hereby granted and ordered entered as the judgment against the Defendants on Count One of the complaint in this action that the Plaintiff shall recover from the Defendants, jointly and severally, sum of \$275,000.00 plus interest thereon at the rate of 10% per annum from and after November 22, 1988, until paid;

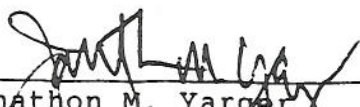
And Counts Two, Three, and Four of the complaint are hereby dismissed, without prejudice;

Provided however, that the Plaintiff may take no action with respect to the enforcement hereof, except in accordance with the terms of a Settlement Agreement entered into among the parties hereto dated ~~August~~ <sup>24</sup>, 1990 a copy of which is attached hereto and incorporated herein.

  
Judge Harold F. White

Approved as to Form and  
Substance

KOHRMAN, JACKSON & KRANTZ




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Jonathon M. Yarger  
20th Floor  
One Cleveland Center  
Cleveland, OH 44114  
(216) 696-8700

Attorney for Plaintiffs

BAKER & HOSTETLER



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Thomas R. Lucchesi  
3200 National City Center  
Cleveland, OH 44114  
(216) 621-0200

Attorney for Defendants

SETTLEMENT AGREEMENT

This Settlement Agreement is made this 1<sup>st</sup> day of August, 1990 by and between Revco, D.S., Inc., hereinafter referred to as Revco and Sun Plaza L.P. and Ostendorf-Morris Properties, Inc. hereinafter collectively referred to as Defendants.

RECITALS

1. Revco and Sun Plaza L.P. (hereinafter referred to as "Sun Plaza") were parties to an agreement (the "Lease") dated December 6, 1976, as amended, for the lease of real property in the Sun Plaza Shopping Center in Fort Walton Beach, Florida (the "Center").

2. On September 9, 1998, Revco and Sun Plaza entered into a cancellation of lease and waiver of claims (the "Cancellation Agreement") pursuant to which Revco agreed to the termination of the lease in exchange for payment by Sun Plaza of \$275,000.00. The Cancellation Agreement was approved by an order entered on November 22, 1988 in the United States Bankruptcy Court for the Northern District of Ohio, Eastern Division. The payment of \$275,000.00 was not made to Revco.

3. In May, 1990, Revco commenced an action in the United States Bankruptcy Court for the Northern District of Ohio, Eastern Division (the "Bnkr. Court") alleging that Sun Plaza and its general partner Ostendorf-Morris Properties, Inc. were in breach of the Cancellation Agreement (the "Action").

4. Plaintiff and Defendants seek to resolve all claims asserted in the motion, and

NOW, THEREFORE, for valuable consideration, the receipt of which is hereby acknowledged, the parties agree as follows:

1. Revco, by its undersigned counsel and Defendants, by their undersigned counsel, agree that a judgment granting judgment in favor of Revco and against Defendants may be entered by the Court in the Action in the form attached hereto as Exhibit A and incorporated herein by reference.

2. Counts Two, Three, and Four of Revco's Complaint in the Action shall be dismissed without prejudice.



3. Revco agrees not to execute on its judgment at any time prior to January 1, 1991; provided however, that Revco shall be entitled to take such actions as may be necessary or appropriate to cause a judgment lien to be placed on the Center in its favor and against the Defendants named herein.

4. The Defendants shall pay to Revco, on a monthly basis, all of the net operating income generated by the Center. For purposes of computing the amounts due to Revco, net operating income shall be defined as the rent and income derived from the leases and tenancy agreements executed between the Defendants and its tenants at the Center, less (i) payment of all sums lawfully due to the holder of any consensual security agreement secured by the Center, which was of record as of the date of the commencement of the Action and (ii) the bona fide and reasonable obligations of the Defendants incurred in connection with the operation and maintenance of the Center; provided however, the payment of bona fide and reasonable maintenance expenses incurred to permit the continued use and operation of the Center shall not include any expenditure generally considered to be a capital improvement (i.e., any improvement which is designed as a long-term betterment or addition to the Center and is generally treated for accounting purposes as a capitalized item rather than as an expense) or home office or regional office overhead and expenses.

5. The Defendants agree to pay to Revco in full the entire outstanding balance of the judgment entered herein including interest at the rate of 10% per annum from and after November 22, 1988 on the earlier of December 31, 1990 or the refinancing of the Center, whichever shall first occur. Notwithstanding the provisions of this paragraph, Revco shall not unreasonably withhold its consent to the extension of this deadline if it appears that the Defendants are reasonably likely to conclude a refinancing arrangement. Defendants shall provide Revco with written documentation of such imminent conclusion of a refinancing arrangement. The decision to grant such extension however, shall rest within Revco's sole discretion.

6. Except for claims arising under this Settlement Agreement, Revco, for itself, any affiliate corporations, and all officers, directors, shareholders, employees, agents, assigns, heirs, and personal representatives, hereby release, forever discharge and covenant not to sue the Defendants, including any of their officers, directors, shareholders, employees, agents, assigns, heirs, and personal representatives of, from and against, any and all matters of action or actions or causes of action promises, damages and rights of every conceivable kind and nature whatsoever, in law, in equity or otherwise, now existing in favor of Revco by

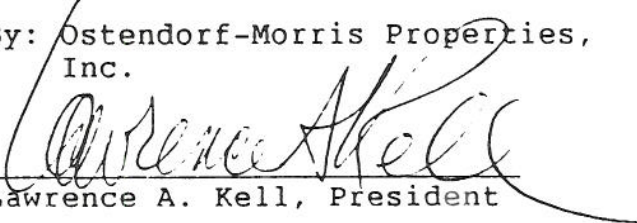
reason of any of the facts, acts, conducts, transactions, practices, matters, causes or things of any kind whatsoever that arose or occurred prior to or as of the effective date of this Settlement Agreement arising out of or related to the Center or the Lease.

7. Except for claims arising under this Settlement Agreement, Defendants, for themselves, any affiliate corporations, and all officers, directors, shareholders, employees, agents, assigns, heirs, and personal representatives, hereby release, forever discharge and covenant not to sue the Plaintiffs, including any of their officers, directors, shareholders, employees, agents, assigns, heirs, and personal representatives of, from and against, any and all matters of action or actions or causes of action promises, damages and rights of every conceivable kind and nature whatsoever, in law, in equity or otherwise, now existing in favor of Defendants by reason of any of the facts, acts, conducts, transactions, practices, matters, causes or things of any kind whatsoever that arose or occurred prior to or as of the effective date of this Settlement Agreement arising out of or related to the Center or the Lease.


8. This Settlement Agreement may be executed in any number of counterparts, each of which shall be an original, and such counterparts together shall constitute one and the same agreement.

SUN PLAZA L.P.

By: Ostendorf-Morris Properties,  
Inc.

  
Lawrence A. Kell, President

REVCO D.S., INC.





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U.S. BANKRUPTCY COURT  
NORTHERN DISTRICT OF OHIO  
08 through 588-1321

CASE NO. 588-1308 through 588-1321,  
588-1305, 588-1761 through 588-1812, and  
ADVERSARY CASE NO. 590-0056 588-1820

588-1820

## CHAPTER 11 PROCEEDINGS

JUDGE H. F. WHITE

JUDGE H. F. WHITE

CERTIFICATE FOR  
TRANSFER OF JUDGMENT

CERTIFICATE FOR  
TRANSFER OF JUDGMENT

CERTIFICATE FOR  
TRANSFER OF JUDGMENT

WITNESS MY HAND AND SEAL OF SAID COURT AT  
Akron, Ohio, this 15th day of October, 1991

Marilyn Eldridge  
Deputy Clerk

(SEAL)